
OLR Bill Analysis

HB 5578 (as amended by House "A")*

AN ACT CONCERNING THE HEALTH INSURANCE GRIEVANCE PROCESS FOR ADVERSE DETERMINATIONS.

SUMMARY:

This bill eliminates the requirement that health carriers (insurers) contract with “clinical peers” to conduct utilization reviews. It requires carriers to have procedures to ensure that appropriate or required individuals, rather than clinical peers, are designated to conduct these reviews. By law, clinical peers are health care professionals licensed in the same or a similar specialty as the one that typically manages the medical condition, procedure, or treatment under review. Carriers must contract with health care professionals to administer their utilization review programs.

By law, carriers must contract with clinical peers to evaluate the clinical appropriateness of adverse determinations (e.g., claims denials). For cases when an urgent care request involves a substance use or mental disorder, the clinical peer must be a psychiatrist or psychologist with specified qualifications. In such cases involving psychologists, the bill requires the psychologist to hold a doctoral level psychology degree. It also requires the psychologist to have both, rather than either, training and relevant experience in the relevant field (i.e., child and adolescent substance use disorder, child and adolescent mental disorder, adult substance use disorder or adult mental disorder).

By law, a carrier must notify an insured and, if applicable, his or her authorized representative, of an adverse determination. The bill eliminates the requirement that the notice state that the insured or representative may benefit from free assistance from the Insurance Department’s Division of Consumer Affairs (“division”). Similarly, the law requires the carrier to provide notice when an internal review of

an adverse determination that was not based on medical necessity upholds the initial decision. The bill eliminates the requirement that the notice disclose the insured's right to contact the commissioner's office. The bill retains parallel notice requirements regarding the Office of the Healthcare Advocate.

The bill also makes conforming changes.

*House Amendment "A" (1) eliminates the bill's requirement that a clinical peer for certain substance use or mental disorder cases be a psychiatrist or psychologist, depending on the treating health care provider's profession; (2) requires psychologists who serve as clinical peers in such cases hold a doctoral level degree; and (3) requires that these psychologists have both, rather than either, training and relevant experience in the relevant field.

EFFECTIVE DATE: Upon passage

BACKGROUND

Utilization Reviews

Utilization reviews are techniques carriers use to monitor the use or evaluate the medical necessity, appropriateness, efficacy, or efficiency of health care services, procedures, or settings. Among other things, they can include monitoring or evaluating activities conducted to manage the care of patients with serious, complicated, or protracted health conditions or to review care on a prospective, concurrent review, or retrospective basis.

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable

Yea 19 Nay 0 (03/20/2014)